GOVERNMENT OF INDIA
URBAN DEVELOPMENT
LOK SABHA

UNSTARRED QUESTION NO:629
ANSWERED ON:27.04.2016
Funds for various Schemes
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Will the Minister of URBAN DEVELOPMENT be pleased to state:

Will the Minister of URBAN DEVELOPMENT be pleased to state:

(a) whether only 20 per cent funding for Smart City Mission, 10 per cent funding for Pradhanmantri Awas Yojana and 32 to 50 percent funding for Atal Mission for Rejuvenation and Urban Transformation is likely to be made by the Union Government;
(b) if so, the details thereof;
(c) the manner in which States are going to raise fund for the above projects; and
(d) the details of progress registered in above projects in various States?

Answer

THE MINISTER OF URBAN DEVELOPMENT

(SHRI M. VENKAIAH NAIDU)

(a)to(d): Smart Cities Mission

The Smart Cities Mission will cover cities and its duration will be five years (FY2015-16 to FY2019-20). The Mission will be operated as a Centrally Sponsored Scheme (CSS) and the Central Government proposes to give financial support to the Mission to the extent of Rs. 48,000.00 crore over five years i.e. on an average Rs. 100 crore per city per year. An equal amount, on a matching basis, will have to be contributed by the State / Urban Local Body (ULB), therefore, nearly Rs. 1,00,000.00 crore of Government / ULB funds will be available for Smart Cities development. These contributions, however, will meet only a part of the project cost and balance funds as required by the city in terms of their Smart City are expected to be mobilized by the cities from:
i. States/ ULBs own resources from collection of user fees, beneficiary charges and impact fees, land monetization, debt, loans, etc.
ii. Additional resources transferred due to acceptance of the recommendations of the Fourteenth Finance Commission (FFC).
iii. Innovative finance mechanisms such as municipal bonds with credit rating of ULBs, Pooled Finance Mechanism, Tax Increment Financing (TIF).
iv. Other Central Government schemes like Swachh Bharat Mission, AMRUT, National Heritage City Development and Augmentation Yojana (HRIDAY).
v. Leverage borrowings from financial institutions, including bilateral and multilateral institutions, both domestic and external sources.
vi. States/UTs may also access the National Investment and Infrastructure Fund (NIIF), which was announced by the Finance Minister in his 2015 Budget Speech, and is likely to be set up this year.
vii. Private sector through PPPs.

AMRUT

The total outlay for Atal Mission for Rejuvenation and Urban Transformation (AMRUT) is Rs. 50,000 crore for five years from FY 2015-16 to FY 2019-20 and the Mission will be operated as a Centrally Sponsored Scheme. The funding pattern under the Mission is:
â€¢ One-third of the project cost as grant from GoI for cities with a population of above 10 lakh.
â€¢ One-half of the project cost as grant for cities/towns with population up to 10 lakh.
â€¢ Balance funding by State Governments / ULBs or through private investment.
For the Financial Year 2015-16, the Government of India has released Rs. 1978.83 crore as Central Assistance to States/UTs. Beside this, the Government of India has also released Rs. 123.38 crore to States/ UTs for preparation of Service Level Improvement Plan (SLIP). The details of release are at Annexure-1. Under AMRUT, the States may raise funds through PPP, Market borrowing, etc. as identified by the State for the projects sanctioned under it. The States/UTs are executing/ implementing agencies and at present, no physical progress is reported by the States/ UTs.

Pradhan Mantri Awas Yojana

Government has launched the "Pradhan Mantri Awas Yojana - Housing for All (Urban) Mission" on 25.06.2015. The Mission provides central assistance to implementing agencies through States/UTs for providing houses to all eligible families/ beneficiaries. The Mission has four pillars namely, Slum Redevelopment, Affordable Housing through Credit Linked Subsidy, Affordable Housing in Partnership (AHP) and Subsidy for beneficiary-led individual house construction/ enhancement (BLC).

A central grant of Rs. 1 lakh per house on average under the slum redevelopment programme and @ 1.5 lakh per EWS house under

the AHP and BLC components is admissible under the mission. Under the credit-linked interest subsidy component, interest subsidy of 6.5% on housing loans up to tenure of 15 years will be provided to economically weaker sections (EWS) and low income groups, giving them a benefit of about Rs 2.3 lakh each.

To make housing projects affordable and accessible to the intended beneficiaries, Pradhan Mantri Awas Yojana (PMAY) (Urban) Mission Guidelines envisages that the States and Cities may extend concessions such as their State subsidy, land at affordable cost, stamp duty exemption etc. In addition, the Government has been requesting States to consider providing incentives for promoting affordable housing including reduction in stamp duties, registration and conversion charges etc. Details of project proposals, as on 01.04.2016, for construction of Economically Weaker Section (EWS) houses accepted for Central assistance under Pradhan Mantri Awas Yojana Housing for All (Urban) Mission are at Annexure-2.

Also, as of 31.03.2016, an amount of Rs. 200.00 crore as advance of interest subsidy has been released to Central Nodal Agencies (CNAs) for implementation of Credit Linked Subsidy Scheme (CLSS) under PMAY-HFA (Urban) mission.

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Annexure-1

State wise approved State Annual Action Plan (SAAP) and amount released during 2015-16

Sl. No. Name of the State Total size of SAAP Committed Central Assistance Amount released as 1st installment (20% of Central Assistance

01 Rajasthan 919.00 459.50 91.90
02 Gujarat 1204.42 564.30 112.86
03 Andhra Pradesh 662.46 300.41 60.08
04 Jharkhand 313.36 137.95 27.59
05 Odisha 461.30 228.14 45.63
06 Madhya Pradesh 1655.81 672.03 134.41
07 Mizoram 73.00 36.50 7.30
08 Tamil Nadu 3249.23 1372.41 274.48
09 Kerala 575.96 287.98 57.60
10 Telangana 415.51 204.75 40.85
11 Chhattisgarh 573.40 276.47 55.29
12 West Bengal 1104.86 552.43 110.49
13 Haryana 438.02 219.01 43.80
14 Maharashtra 1989.41 914.92 182.98
15 Himachal Pradesh 158.82 79.41 15.88
16 Bihar 664.20 332.10 66.42
17 Uttar Pradesh 3287.27 1409.07 281.81
18 Karnataka 1258.54 592.29 118.46
19 Uttarakhand 269.93 133.68 26.74
20 Punjab 709.66 318.86 63.77
21 Assam 186.27 169.34 33.87
22 Goa 59.44 29.72 5.94
23 Puducherry 18.97 18.97 3.79
24 Tripura 36.62 32.96 6.59
25 Jammu & Kashmir 171.00 153.87 30.77
26 Meghalaya 22.81 20.53 4.11
27 Delhi 223.07 223.07 44.61*
28 Manipur 51.43 46.29 9.26*
29 Chandigarh 15.04 15.04 3.01*
30 Sikkim 13.43 12.09 2.42*
31 Arunachal Pradesh 40.94 36.84 7.37*
32 Nagaland 34.98 31.48 6.30*
33 Andaman & Nicorbar 3.18 3.18 0.64
34 Daman & Diu 4.96 4.96 0.99
35 Dadar & Nagar Haveli 3.41 3.41 0.68
36 Lakshadweep 0.68 0.68 0.14

Total 9894.10 1978.83

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